



Department of Energy

Washington, DC 20585

May 16, 2003

Mr. Branden Blum
Office of the Assistant General Counsel
for Ocean Services
National Oceanic and Atmospheric Administration
U. S. Department of Commerce
1305 East-West Highway
Silver Spring, Maryland 20910

Dear Mr. Blum:

Thank you for the letter requesting comments from the Department of Energy on an appeal by the Islander East Pipeline Company (Islander East) from the State of Connecticut's objection to Islander East's consistency certification for a proposed natural gas pipeline.

The Federal Energy Regulatory Commission (FERC) issued orders approving construction and operation of the Islander East Pipeline project on December 21, 2001, September 19, 2002, and January 17, 2003. The pipeline would extend from near North Haven, Connecticut, across Long Island Sound to a terminus in Suffolk County, New York. According to FERC, the Islander East pipeline is needed to help meet increasing demand for natural gas on Long Island, New York, and in New York City. Much of the natural gas supplied by Islander East would be used for electricity generation.

The Department of Energy believes FERC has correctly determined there is a serious need for new natural gas infrastructure in the northeast United States, and the Islander East pipeline project can help meet that need. FERC thoroughly evaluated the limited environmental impacts inherent in the Islander East pipeline project, found these environmental impacts are acceptable, and concluded the project is in the public interest. We have no reason to believe that FERC's determination is incorrect. The Department of Energy supports FERC's comments on this matter, submitted on March 11, 2003, and urges the Secretary of Commerce to override Connecticut's consistency objection. The enclosed comments provide further support for the Islander East pipeline project.



Thank you for the opportunity to comment on Islander East's appeal. If you have any questions regarding these comments, please contact Mr. James Slutz, Deputy Assistant Secretary for Natural Gas and Petroleum Technology, at (202)586-5600, or james.slutz@hq.doe.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Carl Michael Smith", with a stylized flourish at the end.

Carl Michael Smith
Assistant Secretary
Office of Fossil Energy

Enclosure

the project may move forward as FERC has authorized. FERC has evaluated the limited environmental impacts inherent in the Islander East pipeline project, and concluded the project is in the public interest. We have no reason to doubt the correctness of FERC's conclusion that if the Islander East project is constructed and operated as proposed, with the recommended mitigation measures specified in the final Environmental Impact Statement, the project would be an environmentally acceptable action.